

EXHIBIT J

From: Rick Weidinger
Sent: Tuesday, June 03, 2008 1:14 PM
To: Adil Shafi
Cc: Rick Weidinger
Subject: Braintech + SHAFI

Let me first respond to some of your inaccurate statements and then respond to your new requests:

1. The April 8th document that you prepared was the beginning point to many conversations and negotiations. I have spent significant time and resources negotiating this transaction with you. We have always stated that the easier structure would be an acquisition but for reasons you would not share with us you have refused and demanded this complicated partnership structure. We have given our best to make it work. However, we still believe the acquisition structure we suggested would benefit you most and certainly be much more quicker to close. It is incredible that you even attached and referred to your April 8th diagram. 500+ emails, numerous hours and several trips together and a technical/commercial visit to Vancouver have all occurred since April in order to try to make your Partnership structure work for the best of both parties. In fact, you have changed your schedule A through-out this entire 2 month process. Schedule A is the leading document for the reasoning for the Partnership. I am disappointed in your tactics.
2. Specifically, it was clearly stated [and you fully understood] that BRHI did not have the amount of cash demanded in your April exhibit and that the cash component would be a mixture of cash [deposit and monthly payments] and stock. As a matter-of-fact, I shared with you many times that in order for us to meet your demanded cash deposit amount [\$100,000] I would have to personally consider funding the deposit. You understood this early on and we designed the success-based stock grants you agreed to upon new contracts. Look over your long sheet notes you took from our Brighton meetings. The specific cash amount of \$1.85 was never agreed to; the only way to approach this was with stock which we agreed to.
3. My date for execution of this transaction has always been June 1, 2008. You have been fully aware of this from day one. In fact, we are still waiting on you for an important and critical revenue forecast that needs to be incorporated in Schedule A and which justifies our investment in the Partnership. Your statement regarding "due to BRHI changes in the proposed agreement it will not be signed until late June" is just simply incorrect. We have important email trails and correspondence demonstrating the necessary back and forth of our structuring and negotiations. At all times you knew exactly where we stood and what was needed to be completed. We are still amendable to providing a loan to you before final documents are executed [an rare and kind gesture on our part that you completely fail to recognize and have in fact not provided any document to do so nor any discussion on providing us security on the loan] which is scheduled for June 20, 2008 at your request.
4. We cannot make a determination regarding the loan today until the revenues are identified.
5. We are absolutely not expecting any transfer of assets [and never made the request to do so] but it is important that we have both entities [Shafi Inc and Shafi Innovations Inc] committed to the Partnership. Our technical collaboration work/efforts will be at the Shafi Innovations level. You represent in our term sheet that the assets of Shafi Inc and Shafi Innovations are free and clear to provide for in the Partnership. Now are you saying they are not??
6. We are prepared to provide a loan today [need to discuss and agree on amount as I have identified a different amount] conditioned upon the items we have previously identified [and worked so hard over the last week or so to finalize] as conditions to promissory note and business security [namely, term sheet, schedule a with revenue forecast, schedule b, schedule c, chart a, closing schedule and promissory note with business security]. All have been reviewed and complete except your revenue forecast and your promissory note. We would need the security in Shafi Innovations inc. [so only you can possibly draft and provide promissory note that you promised to do today] as Shafi is full of debt and would not provide me proper security. Of course, the loan security goes away once we execute the final Agreement.
7. No problem on final remaining payment of deposit at final Agreement execution on June 20.

8. No problem with 750,000 penny shares [company will pay penny (\$7,500) for you]. No problem with options.
9. Agreement regarding \$50,000 monthly for six months [that you had us shake hands on in Vancouver] needs to stay the same. It very well may extend to 12 or 18 months but, as agreed, that will be a decision for BRHI to make depending on how successful Access and Acceleration is going.
10. As you know, stock will be worth much more than \$225,000 as you stated. If fact, you think the stock can be worth \$250 per share or \$250 million to you. I hope you are right.
11. As agreed, success payments will begin after monthly cash payments end. The deal has always been linear and not parallel. After 12 months if things going as expected, we can discuss subject. You know I have no problems sharing upside, ever.
12. No problem on schedule of success-based stock grants up to 3 million. This will be worth a ton by itself.
13. Revenue splits as agreed to in chart A are fine.
14. From your email, I am not sure you still want to do this Partnership. If you have changed your mind and ambitions for it, just tell me, no problems or worries and we can remain friends, Mr. Carpenter.

All the best, Rick Weidinger

From: Adil Shafi [mailto:adil.shafi@shafiinc.com]
Sent: Tuesday, June 03, 2008 11:34 AM
To: Rick Weidinger
Cc: Adil.Shafi@shafiinc.com
Subject: [Junk released by Allow List] BRAINTECH + SHAFI :

Dear Rick,

I am forwarding our original deal structure from April 8 which is attached.

This email is in two parts: Legal and Financial.

We need to make a final decision today

and have the initial money in my bank today or the deal is officially off.

I met with my professional advisors today and here is their recommendation.

Legal

I recommend that Shafi Inc, (SI) and not Shafi Innovation Inc, (SII) enter into the Braintech partnership. The customers and other assets that are the subject of the BRHI agreement are owned by SI, and not SII. Those SI assets are encumbered, and any transfer of those assets to SII at this time would come under very close scrutiny by SI's creditors. As for the BRHI funding of the BRHI/SI agreement, you earlier told me that you and BRHI had agreed to \$1.85M in cash, but now BRHI has reduced the cash to substantially less. The agreement was scheduled to be signed in May which would have resulted in immediate payments to SI to assist in satisfying these creditors. Due to BRHI changes in the proposed agreement, it will not be signed until late June, and in the meantime BRHI will provide you a loan. I also recommend that BRHI prepare the loan documents since their changes have caused the agreement date to slip. The loan should be made to SI and not SII.

Financial

Access and Acceleration Payments

- 85K downpayment wired today to SHAFI Inc. account.
- 15K downpayment wired upon final agreement closing on June 20.
- 750,000 penny shares and 250,000 options award at final agreement paid by Braintech.
- 50K/month for 18 months starting on July 20.
- This adds up to \$1 million in cash and roughly 225K in stock value at present.

Success Payments based on Schedule A Milestone Achievement payments

- Six Months + 1 Day : 1 Million Braintech (BRHI) penny shares to SHAFI paid by BRHI
- Twelve Months + 1 Day : 1 Million Braintech (BRHI) penny shares to SHAFI paid by BRHI
- Eighteen Months + 1 Day : 1 Million Braintech (BRHI) penny shares to SHAFI paid by BRHI

Revenue Splits

- 2008 : BRHI assumes SHAFI Revenue.
- 2008 : 50% / 50% split on non automotive revenues
- 2008 : 70% / 30% splits on Chart A carveouts
- 2009 : BRHI assumes SHAFI Revenue.
- 2009 : 50% / 50% split on all revenues
- 2009 : 70% / 30% splits on Chart A carveouts

I look forward to make this a win win and will do everything I can to do so.

Account Number and ABA number can be sent if you agree.

Best Regards, Adil